

running a slimmed-down Department of Trade and Industry, warned Major that the City would react badly to Heseltine taking his place.

According to one cabinet minister, whose evidence has been corroborated by two other senior government sources, Clarke told Major: "The markets will not like it. They will be worried by my departure. They will see Michael as a big-spending interventionist. If you move me out and him in, you will put at risk interest rates, inflation and the prospects for tax cuts."

Major quickly dropped the idea and, in the wide-ranging reshuffle that followed his victory, made Heseltine first secretary and deputy prime minister. This gave Heseltine a Downing Street power base with responsibility for presenting and co-ordinating government policy, and overseeing British competitiveness.

The revelation of Major's proposal prompted allegations from right-wing Tories last night that Major offered

of up to 50 Heseltine supporters, whose backing clinched his victory over John Redwood by 218 votes to 89. Many voted openly for Major after the deal with Heseltine.

Major's reshuffle talks with Heseltine and Clarke took place last Monday and Tuesday, when Major's campaign managers privately feared the prospect of a hollow victory over Redwood, the right-wing challenger. Right-wing Tory MPs expected Major to face cabinet pressure to stand down if his win was unconvincing.

Clarke's friends denied last night that his job had been offered to Heseltine. "This is a rumour put about by right-wingers to undermine Clarke," said one. "Heseltine has never wanted the Treasury. He hates the department, he hates its ethos." But cabinet-level confirmation that Major considered moving Clarke will embarrass the chancellor. The prime minister is known to have wondered privately whether he was right to send Clarke to the Treasury.



#### How Major cut a deal Focus, pages 12 and 13

Asked about his discussions with Major, Heseltine has said that they ranged over a whole range of "options and opportunities". Ministerial sources confirmed the "job swap" was one of several possibilities considered by Major.

Major originally wanted Heseltine to be party chairman, which he rejected. Keen to continue his drive to boost industrial competitiveness, Heseltine is said to have been attracted by the opportunity to revolutionise the Treasury. One source said

each other, "said one source: 'Ken was apoplectic.'"  
A further sign of tension over Heseltine's new role as deputy prime minister emerged yesterday as ministers expressed fears he would seek to upstage them. One senior Tory said: "Heseltine already wants to cherry-pick all the best policy announcements so he can be the chief propagandist for the government. Cabinet ministers will not allow themselves to be ripped off in this way."

Further trouble loomed for Major last night when Redwood, now a back-bench MP, warned that Major could face a Commons defeat if he tried to integrate Britain further with the European Community after next year's "Maastricht 2" inter-governmental conference on the future of EC institutions.

Redwood told Channel 4's A Week in Politics: "One of the considerations for the government when forming its position for the conference must be: what would the House of Commons accept? Clearly a lot of

*continued on page 2*

## PM demands rule changes so he can never be challenged again

JOHN MAJOR wants to cap his leadership election victory by ensuring that no serving Tory prime minister again faces a challenge for the job.

Leaders of the 1922 committee of Tory backbenchers are to launch a formal review of the party's leadership election rules in the autumn. As well as considering Major's proposal, they will discuss whether to allow a leadership challenge only once in every five-year parliamentary term; forcing MPs to declare pub-

by Andrew Grice and Michael Prescott

licly how they vote; raising the proportion of Tory MPs needed to back any leadership challenge from 10% to 20% and giving votes to Tory grassroots members.

One senior party source predicted yesterday that the threshold would be raised to 20% and voting made public after criticism that many Tories did not tell the truth about how they voted in last week's

secret ballot. However, one senior Tory MP said: "Publicly-recorded voting will be fiercely opposed. MPs would be under strong pressure to vote as their constituency associations wish. We should be able to exercise our own judgment."

A source close to Major said: "He certainly supports changing to a system which rules out a serving prime min-

ister facing any challenge. The events of the past three years have convinced him of this." Major will not declare his preference publicly, but his allies point out that his view is shared by Margaret Thatcher, who resigned in 1990 after she was challenged by Michael Heseltine.

However, some Tory MPs will oppose the change, saying that the Tories would have lost the 1992 general election if they had not been able to remove Thatcher.



**Big hitter:** Steffi Graf powers her way back after losing the opening set against the doughty Arantxa Sanchez Vicario on her way to victory in the Wimbledon women's singles final for the sixth time yesterday, 4-6 6-1 7-5. Match report, section 2, back page. Picture: Chris Smith

## Phoney Libyan prince paid Tory MPs for help

TORY MPs were paid by a phoney Arab prince who used their support in an attempt to align himself with Colonel Muammar Gaddafi and take over as Libyan ruler, write Maurice Chittenden and Simon Reeve.

Idris al-Senussi, a businessman who styles himself Crown Prince of Libya, spent at least £100,000 on parliamentary lobbying and public relations exercises to create a false image that he was rightful heir to the Libyan throne. He wine and dined MPs at Claridge's, in-

ited them to his home in St Tropez, addressed an all-party meeting of MPs in the House of Commons, and posed in front of Big Ben for a flattering magazine article.

In 1993 he paid £32,500 to a firm run by Harold Elletson, Tory MP for Blackpool North, and John Kennedy, later private secretary to Prince Michael of Kent. Elletson, who went to St Tropez, has registered this interest but not the amount that was paid. He said yesterday: "I've declared the thing. Nobody registers an amount."

At least another £20,000 went in 1990 to Pinpoint International, a parliamentary lobbying firm for whom Kennedy, a Tory party candidate, also worked, and which employed Tim Janman, Tory MP for Thurrock until the last election, as a consultant.

Janman asked a series of parliamentary questions on Libya, including one relating to Gaddafi's "declining political position". He declared his work for Pinpoint in the register of members' interests.

*continued on back page 9*

for serious offences held in England and Wales each year. The findings, gathered by the Association of Chief Police Officers (ACPO), show that, in 1983, 69,000 out of 530,000 people — one in eight — charged with serious "indictable" offences walked free. In 1993, the most recent year for which figures are available, 171,000 — or more than one in three — of the 479,000 charged with serious crimes, escaped conviction.

The figures include charges that are dropped before going to a jury. They contrast with the claims of the Crown Prosecution Service (CPS) that convictions are rising. CPS statistics cover only charges that go to trial.

CPS claims are also challenged by figures to be published next week by Lord Mackay, the lord chancellor, which will show that in the crown courts 60% of those who deny all charges are being acquitted. The comparative figure in 1986 was 49%.

Chief constables last night claimed the criminal justice system had become unsustainable. They called on Michael

*continued on page 2*

THE TIMES

10p

OFF THE TIMES  
TOMORROW  
Voucher page 2



27

● WEATHER and LOTTERY NUMBERS back page ● TODAY'S TV The Culture. 30 ● HOROSCOPE The Magazine. 47 ● CINEMAS The Culture. 54 ● CROSSWORD Style. 17 ● POOLS CHECK Sport. 12

# WHY FLY SOLO ACROSS THE ATLANTIC? . . .

SEE BUSINESS SECTION, PAGE 7.